

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| APPLICATION OF PHOENIX NETWORK CORPORA- |) | |
| TION FOR A CERTIFICATE OF PUBLIC |) | |
| CONVENIENCE AND NECESSITY TO PROVIDE |) | |
| LONG DISTANCE TELECOMMUNICATIONS |) | CASE NO. 89-288 |
| SERVICES STATEWIDE AS A RESELLER WITHIN |) | |
| THE COMMONWEALTH OF KENTUCKY |) | |

O R D E R

On October 3, 1989, Phoenix Network Corporation ("Phoenix") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to provide long distance telecommunications service as a reseller within the Commonwealth of Kentucky. Also, Phoenix filed a motion for confidential protection of its balance sheets and operating statements attached to its application as Exhibits C and D. This issue of confidentiality has been addressed in the December 18, 1989 Order of this Commission.

On October 31, 1989, the Commission ordered Phoenix to file additional information. Phoenix filed its response on November 27, 1989. On December 1, 1989, Phoenix filed a supplemental response to the aforementioned Order.

In its supplemental response, Phoenix contended that it would comply with the Commission prohibition against offering intraLATA services in the following manner. Feature Group D traffic will be

screened by the local exchange companies for intraLATA traffic. All such traffic will be carried by the local exchange companies. No facilities have been acquired by Phoenix to carry intraLATA traffic. Phoenix's DSC-400 switch, which is located in Dayton, Ohio, will be programmed to block calls dialed intraLATA via Feature Groups A and B, and Dedicated Access Line originating trunk groups. This will be accomplished by using the incoming Exclusion Index in the DSC-400, which prohibits the completion of calls dialed to certain destinations. Therefore, the end user cannot complete a call to any NXX in its incoming Exclusion Index. The end user will then be routed to a recording or a reorder tone, at the discretion of Phoenix.

On December 13, 1989, the Commission issued a Show Cause Order in Case No. 89-356,¹ regarding alleged violations of KRS 278.020 and KRS 278.160 by Phoenix. On January 5, 1990, the Commission ordered Phoenix to make certain refund payments for charges collected by Phoenix for unauthorized intrastate services. The issues in Case No. 89-356 have therefore been resolved.

The Commission, having considered the application of Phoenix, the information provided by Phoenix in response to the Commission's Order, the supplemental response, and being otherwise sufficiently advised, finds that Phoenix should be granted

¹ Case No. 89-356, Phoenix Network Corporation, Alleged Violation of KRS 278.020 and KRS 278.160.

authority to provide intrastate interLATA long distance telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.

IT IS THEREFORE ORDERED that:

1. Phoenix be and it hereby is granted authority to provide intrastate interLATA long distance telecommunications services within the Commonwealth of Kentucky on and after the date of this Order.

2. This authority to provide service is strictly limited to those services described in this order and Phoenix's application.

3. Phoenix shall fully comply with the Commission prohibition against offering intraLATA services.

4. Within 30 days from the date of this order, Phoenix shall file its tariff sheets in accordance with 807 KAR 5:001 to conform to the restrictions and conditions of service contained herein.

Done at Frankfort, Kentucky, this 5th day of January, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:

Executive Director